RI Bays, Rivers, and Watersheds Coordination Team

Economic Monitoring Collaborative

2nd Meeting - November 19, 2004, 3:00PM
RI Economic Policy Council offices, 3 Davol Square, Providence

Meeting Summary

1. Kip Bergstrom (RIPEC Executive Director) welcomed everyone in attendance and defined the charge to the Economic Monitoring Collaborative as specified in statute, which is to develop an economic monitoring strategy to assess the economic health and performance of the water cluster (See, RIGL § 46-31-9(d)). Kip is representing the RI Economic Policy Council, while Tim Tyrell is representing URI ENRE. Both of these entities are named in statute as members of the Collaborative, however, the Governor has not yet officially appointed them or others to the Collaborative. It was noted that there is existing work that has been completed, or is nearly complete, that the collaborative could build upon to accomplish its legislative mandate to develop a strategy by January 2005. Accordingly, this meeting was to provide an opportunity to hear presentations from Ken Payne, RI Senate policy office, and Charles Cogan, University of Southern Maine on their respective of marine cluster research.

2. Ken Payne (RI Senate Policy Office) presented the findings from the 2002 RI Senate policy office reported titled "The Marine Cluster – An Investment Agenda for RI's Marine Related Economy."

- Essentially, the purpose of the report was to determine: What is RI's marine economy; and how can that economy be evaluated?
- The report was developed because the 2000 Bay Summit conference concluded that the economic role of Narragansett Bay was declining and that opportunities exist to increase economic activity while simultaneously increasing the productivity of marine resources.
- The policy office report sought to answer the question of what capitol and program investments should RI be making to ensure the long-term productivity of its marine resources.
- The results from the report showed that there was economic weakness in the marine cluster due to: structural limits to growth from a constrained work force and regulatory burdens; challenging business climate; deteriorating infrastructure; lack of cohesiveness among marine clusters; and a lack of cluster level understanding and planning.
- However, there were also opportunities to: improve work force development; promote products, services, and events; capture shift and share in the marine resource region; develop cross-sector industry collaboration; and provide organizational infrastructure.
- The Bay-related package of 2004 general assembly legislation was designed to provide the needed organizational infrastructure by creating the RI Bays, Rivers, and Watersheds coordination team and the attendant committees.
- It was stressed that the Economic Monitoring Collaborative needs to produce assessments of the marine cluster that are useful to systems-level planning, and facilitate good decision making. Accordingly, it will be vitally important that there is a clear line of communication between the collaborative and the Coordination Team. It was noted that good communication would be facilitated through the Coordination Team Chair and the Economic Monitoring Collaborative Chair.
- The group also noted that it was important that RI coordinate and cooperate with adjacent states (i.e., MA and CT) so that regional issues (e.g., LNG facilities or research needs) can be explored and satisfactorily managed.

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3. Charles Colgan (Univ. of Maine) presented the findings for his ongoing work regarding the RI ocean cluster as part of the National Ocean Economic Program.

- The economic modeling framework being used in Maine may be useful to RI.
- The goal of the National Ocean Economic Program is to develop national standards for measuring coastal economies. National reports on all of the state coastal economies should be available in 2006.
- There are six sectors defining the coastal economies: construction; living resources (which includes fishing and aquaculture); minerals; shipbuilding; tourism/recreation; and transportation.
- Rhode Island's coastal communities are those that are directly adjacent to marine waters. In 1990 and 2000, RI had the highest proportion of state population (approximately 45%) living in near-shore areas, as compared to the other New England states.
- The national population trend is moving inland - very slight change.
- The RI ocean economy represents approximately 4% of the gross state product (GSP).
- Marine fisheries employment figures are not well measured and almost impossible to predict due to a lack of data collection.
- Tourism and recreation make up the vast majority of total ocean economy both nationally and in RI. Changes in RI ocean economy between 1990 an 2000 show a decrease in shipbuilding (due to loss of Electric Boat work), but an increase in tourism and recreation. RI tourism is the 4th most seasonal dependant economy in the nation, following only Maine, New Hampshire, and Delaware.
- Lessons:
    1. RI economy remains an ocean economy compared with other states.
    2. RI and national economy is shifting more towards tourism and recreation sectors.
    3. Need more research on whether ocean economy has strong or weak cluster characteristics.
    4. Ocean economy development may depend on strength of other clusters.
- C. Colgan says that the Economic Monitoring Collaborative can build upon his data for an assessment of RI marine economy. Clusters are all about connections.

4. Discussion

- Example: Marina expansion – Is it good for the RI economy? Don't have a good understanding of the issue, despite an extraordinarily high demand for boat slips.
- The Environmental Monitoring Collaborative should focus on analysis and strategy for assessing the RI marine clusters to assist the Coordination Team in determining what projects will be needed.
- It appears that the collaborative is in a good position to build upon existing data to develop an economic monitoring strategy for the RI marine cluster. The proposed strategy will need to be reviewed by the Coordination Team and submitted in January (along with the Coordination Team's scope-of-work for the systems-level plan) to the governor and general assembly.
- As of the date of this meeting, the governor had not yet made appointments to the Economic Monitoring Collaborative.
- The existing data sets should probably be modified in an effort to include, if possible, fishing employment statistics and NUWC data.

5. Meeting adjourned at 5:30PM

Prepared by James Boyd, Coordination Team staff

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Economic Monitoring Collaborative Meeting
Rhode Island Water Clusters Industry Research Presentations
3pm - November 19, 2004
Rhode Island Economic Policy Council

Presenters:
Dr. Charles Colgan, University of Southern Maine, Edmund S. Muskie School of Public Service
Dr. Kenneth Payne, Rhode Island State Senate Policy Office

Attendees:
Kip Bergstrom, RI Economic Policy Council
Tim Tyrell, URI Resource Economics
Jim Boyd, Coastal Institute
Peg Parker, RI House Policy Office
E. Howard McVay, North East Pilots
Ken Kubic, RI Marine Trades Association
Mike Keyworth, Brewer Cove Haven Marina
Geoff Grout, Quonset Davisville Management Corporation
Tom Flanagan, UMass-Boston
Kelly Mahoney, RI Senate Policy Office
Don Pryor, Brown University
Ariana Johnson, RI Economic Policy Council